

SWBT will remove the Southwestern Bell brand and provide carrier-specific branding for DA and OS, regardless of whether the requesting carrier uses dedicated or shared trunks (i.e., unbundled local switching and resale) to deliver its traffic to SWBT's OS switch. Rogers Aff. ¶¶ 9, 22-24. Pricing for branding is cost-based, as determined by the Texas PUC. Id. ¶ 34.

Because SWBT's systems process all calls on a first-come, first-served basis and do not distinguish whether SWBT or a CLEC customer-originated the call, SWBT does not disaggregate DA and OS performance data between SWBT and its CLEC customers. Dysart Aff. ¶ 527. Any other arrangement would introduce into SWBT's systems a possibility of disparate treatment that currently does not exist. Performance measures for OS and DA include: Directory Assistance Grade of Service; Directory Assistance Average Speed of Answer; Operator Services Grade of Service; Operator Services Speed of Answer; Percentage of Calls Abandoned; Percentage of Calls Deflected; Average Work Time; and Non-Call Busy Work Volumes. Id. ¶ 531. For those measures for which benchmarks exist, SWBT has, over the last year, met or bettered the benchmark in nearly every month for which sufficient data are available. See id. ¶ 532-542.

H. Checklist Item (viii): White Pages Directory Listings

As required by 47 U.S.C. § 271(c)(2)(B)(viii), CLECs' customers are listed on the same basis in Southwestern Bell's White Pages directories, and receive copies of these directories in a nondiscriminatory manner during the annual distribution of newly published books. SWBT's satisfaction of this checklist item has been verified by the Texas PUC and is confirmed by the presence of more than 390,000 CLEC listings in Southwestern Bell's White Pages directories in Texas. Final Staff Report at 85-89; Habeeb Aff. Attach. E. As the performance measures for timeliness and accuracy of the DA database updates show, CLEC listings are maintained in a

nondiscriminatory manner; in fact, SWBT has consistently met all performance benchmarks for both timeliness and accuracy. See Dysart Aff. ¶¶ 646-648.

Listings. Southwestern Bell makes available White Pages listings for the end users of both resellers and facilities-based CLECs. Rogers Aff. ¶¶ 40-50; see also Texas 271 Agreement Attach. 1, App. White Pages & Attach. 19. CLECs have the same listing options for their customers as SWBT offers to its retail customers. Rogers Aff. ¶¶ 40-44. Facilities-based CLECs may choose whether to have their customers' listings interspersed or printed separately from SWBT's listings. Id. ¶ 41. Southwestern Bell also will transmit facilities-based CLECs' listings to third-party directory publishers at the CLEC's request. Id. ¶ 54.

CLECs' listings are maintained in SWBT's White Pages database in the same manner as listings for SWBT's retail customers.⁵⁴ Rogers Aff. ¶¶ 51-52; Dysart Aff. ¶¶ 640-641. Facilities-based CLECs are able to review and correct White Pages listings for their customers electronically. Rogers Aff. ¶ 53. SWBT additionally allows all CLECs to verify their end users' listings for specific White Pages directories by providing the CLECs listing verification reports for each directory. Id. ¶¶ 55-56.

I. Checklist Item (ix): Nondiscriminatory Access to Telephone Numbers

When it served as Central Office ("CO") Code Administrator in its region, SWBT satisfied checklist item (ix), 47 U.S.C. § 271(c)(2)(B)(ix), by following number administration guidelines published by the Industry Numbering Committee. See generally Adair Aff. (App. A, Part A-2, Tab 1). Pursuant to those industry-standard procedures, SWBT assigned 63 CLECs in

⁵⁴ As agreed during the Texas PUC's collaborative process, SWBT has implemented procedures that ensure that customer listing information remains unchanged and that re-population of the

Texas more than 12 million telephone numbers, which can be used to provide facilities-based service to an even larger number of lines. Id. ¶ 13. SWBT utilized identical standards and procedures for processing all number requests, regardless of the requesting party, and charged no fees for activating CO codes. Deere Aff. ¶ 133. SWBT did not turn down any requests for NXX code assignments, other than in the course of implementing jeopardy plans for number conservation that had been developed by the Texas PUC and interested industry participants. Adair Aff. ¶ 14.

On February 1, 1999, Lockheed Martin assumed CO code administration responsibilities in Texas. Id. ¶ 18. Although it is no longer a CO code administrator, and no longer performs any functions with regard to number administration or assignment, SWBT continues to adhere to all relevant industry guidelines and Commission rules, including those provisions requiring accurate reporting of data to the Code Administrator. Id.

The Texas PUC determined at the beginning of its collaborative process that SWBT had satisfied this checklist item. See Final Staff Report at 90. Since that determination, SWBT has continued to fulfill its responsibilities in this area. Adair Aff. ¶ 18.

J. Checklist Item (x): Nondiscriminatory Access to Databases and Associated Signaling Necessary for Call Routing and Completion

SWBT offers CLECs the very same access to signaling and call-related databases as SWBT has, allowing calls to or from CLEC customers to be set up just as quickly and routed just as efficiently as calls to or from SWBT customers. SWBT accordingly satisfies the checklist's

information is not required when a former end user customer of SWBT takes local service from a CLEC using SWBT resold services, unbundled switching, or LNP. Dysart Aff. ¶ 625.

requirements for affording nondiscriminatory access to these components of SWBT's network, as the Texas PUC has held. See 47 U.S.C. § 271(c)(2)(B)(x); Final Staff Report at 91.

Signaling Networks. When a CLEC purchases unbundled local switching from SWBT, it automatically obtains the same access to SWBT's signaling network as SWBT provides itself. Deere Aff. ¶ 204; Texas 271 Agreement Attach. 6, §§ 9.2-9.3. SWBT also makes available – as a separate UNE offering – access to its SS7 signaling links (i.e., dedicated transmission paths carrying signaling messages between switches and signaling networks) and signal transfer points (i.e., signaling message switches that interconnect signaling links to route signaling messages between switches and databases). Deere Aff. ¶ 205. CLECs can use this unbundled access to furnish SS7-based services for their own end-user customers' calls or the calls of customers of other carriers. Id. SS7 signaling is available between CLEC switches, between CLEC switches and SWBT switches, or between CLEC switches and the networks of other carriers connected to SWBT's SS7 network. Id. ¶ 203.

Call-Related Databases. SWBT's Texas PUC-approved agreements offer CLECs nondiscriminatory access to a variety of call-related databases. Specifically, SWBT provides access to its Line Information Database ("LIDB"), Caller ID databases, toll-free databases, and AIN. See id. ¶¶ 211-266. SWBT likewise offers nondiscriminatory access to its service management systems ("SMS"), which are used to create, modify, or update information in the call-related databases. See 47 C.F.R. § 51.319(e)(3); Rogers Aff. ¶ 50 (LIDB); Deere Aff. ¶ 265 (CNAM database); id. ¶¶ 246-247 (toll-free calling database); id. ¶ 265 (AIN). Requesting carriers are provided all the relevant instructions they need to format and enter information into the appropriate databases. Rogers Aff. ¶¶ 59-62 (LIDB); id. ¶¶ 63-64 (CNAM database); Deere Aff. ¶¶ 195-204 (toll-free calling database); id. ¶¶ 205-211 (AIN).

SWBT leads the industry in providing CLECs the ability to store and access their line and billing records in SWBT's LIDB on the same, on-line basis as SWBT stores its own records. Rogers Aff. ¶ 61; Texas 271 Agreement Attach. 6, § 9.4. Pursuant to the Texas PUC's collaborative process, SWBT makes available two electronic interfaces, the Service Order Entry Interface and the Interactive Interface, to allow CLECs to access, create, modify, or view their customers' line information. Rogers Aff. ¶¶ 67-68. CLECs submitting large volumes of information for addition to the LIDB may send such information from magnetic tape via SWBT's Tape Load interface. Id. ¶ 66 n.53.

In addition to providing this unparalleled unbundled access, SWBT has complied with the requirements of the Texas PUC by retaining the existing record in the LIDB, on behalf of the CLEC, when a CLEC converts a SWBT end user's service to UNE-based service. Id. ¶ 62. SWBT maintains LIDB records for resellers' end user customers in the same manner as records for SWBT end user customers. Id. ¶ 52.

SWBT audits CLECs' resale LIDB information for accuracy and consistency with SWBT's billing system records in exactly the same manner as SWBT audits its own customer information in the LIDB. Id. ¶ 61. SWBT also audits CLECs' LIDB information for fraud in the same manner, and using the same criteria, as are used for SWBT's own customer information. Id. ¶ 60.

Nondiscriminatory access to data in SWBT's Calling Name Delivery Database ("CNAM") enables switch-based CLECs to provide the caller's name with their customers' Caller ID services. Id. ¶ 64; Texas 271 Agreement Attach. 6, § 9.5. For completion of toll-free calls, SWBT's approved agreements afford CLECs unbundled access to SWBT's Toll Free Calling Database, plus optional translation, call validation, and call routing features. Deere Aff.

¶¶ 246-255; Texas 271 Agreement Attach. 6, § 9.6. As discussed in Part V.F, above, AIN services allow CLECs to create their own AIN applications on SWBT's Integrated Service Control Point and then place them on SWBT's network. Deere Aff. ¶¶ 256-265; Texas 271 Agreement Attach. 6, § 9.7.

Since they use the same switches as SWBT, CLECs that purchase unbundled local switching query all call-related databases in exactly the same manner as SWBT. Rogers Aff. ¶ 61 (LIDB); id. ¶ 64 (CNAM database); Deere Aff. ¶ 255 (toll-free calling database); id. ¶ 258 (AIN). CLECs that have their own switches and interconnect with SWBT's SS7 network also access signaling and databases in the same fashion as SWBT. Rogers Aff. ¶ 61 (LIDB); id. ¶ 64 (CNAM database); Deere Aff. ¶ 254 (toll-free calling database); id. ¶ 259 (AIN). All CLECs accessing these databases, whether using unbundled local switching or other switching facilities, have access to all the same features and functions of each database as SWBT. See Rogers Aff. ¶ 61 (LIDB); id. ¶ 64 (CNAM database); Deere Aff. ¶¶ 246-254 (toll-free calling database); id. ¶¶ 260-262 (AIN). CLECs may request additional arrangements for access to SWBT's signaling and call-related databases through the Special Request process. Deere Aff. ¶ 264.

SWBT maintains all data in the databases in accordance with the confidentiality requirements of 47 U.S.C. § 222. Id. ¶ 212.

K. Checklist Item (xi): Number Portability

Number portability enables customers of facilities-based CLECs to retain their existing telephone number even after they no longer subscribe to SWBT's service. Every number ported by SWBT represents one or more existing SWBT lines lost to a CLEC – proving the CLECs' ability to compete head-to-head with SWBT. In accordance with checklist item (xi), 47 U.S.C. § 271(c)(2)(B)(xi), CLECs served nearly 450,000 ported SWBT numbers as of the end of

October 1999. Habeeb Aff. Attach. E; see also Fleming Aff. ¶ 30 (App. A, Part A-2, Tab 5).⁵⁵

Whether ported with unbundled local loops or on a stand-alone basis, these numbers were ported in a timely and efficient manner, without unreasonable service disruptions. For example, as further discussed below, SWBT met the benchmark for timely implementation of long-term number portability in each of the last 4 months for which data are available; in 3 of the last 4 months, SWBT met the industry benchmark for time out of service during LNP conversions. Dysart Aff. ¶¶ 567, 581.

Long-Term Number Portability. As the Affidavit of Gary A. Fleming describes, SWBT has timely implemented LNP using the Location Routing Number (“LRN”) method “preferred” by this Commission. Second Report and Order, Telephone Number Portability, 12 FCC Rcd 12281, 12287, ¶ 9 (1997). LNP is operational in 447 SWBT switches in Texas. Fleming Aff. ¶ 30. These switches serve 88 percent of SWBT’s access lines in the State. Id. CLECs may order LNP, with or without an unbundled loop, through SWBT’s LEX interface or EDI Gateway. Id. ¶ 21; see Ham Aff. ¶¶ 90 (LEX), 96 (EDI), 126 (flow-through). Rigorous third-party testing as well as actual operational experience have established these systems’ ability to support ordering, maintenance and repair, and billing of LNP. Fleming Aff. ¶ 21; Ham Aff. ¶ 256.

To minimize disruptions of service while numbers are being ported, SWBT uses an unconditional 10-digit trigger (“UCT”) process. Fleming Aff. ¶ 24; see also Dysart Aff. ¶ 601. UCT is activated on the customer’s number upon receipt of the initial porting order. Fleming

⁵⁵ Because some customers have subsequently taken service with SWBT or with another CLEC that may not necessarily require number portability, the total amount of telephone numbers SWBT has actually ported to CLECs is somewhat larger than this number.

Aff. ¶ 24. When the CLEC activates its switch port, calls to the customer's telephone number are routed automatically to the CLEC's switch. Id. This makes it unnecessary for SWBT and the CLEC to coordinate LNP cutovers on a minute-to-minute basis. Id. For large, complex orders and in the few geographic areas where UCT is not feasible, however, SWBT does conduct coordinated LNP conversions with CLECs. Id. ¶ 25. SWBT's processes allow such coordinated conversions to occur within one hour of the Frame Due Time. Id.; Conway Aff. ¶¶ 67-73. Coordinated conversions are further discussed in Part V.D, above.

In July 1999, the Commission approved SWBT's monthly end user charge and a database query service charge for LNP. Fleming Aff. ¶¶ 31-34; see also Memorandum Opinion and Order, Long-Term Number Portability Tariff Filings, CC Docket No. 99-35, FCC 99-158, ¶¶ 101-115 (rel. July 16, 1999).

Interim Number Portability. Pending implementation of LNP, SWBT developed interim number portability as a temporary means of enabling facilities-based CLECs' customers to retain their phone numbers when they switched to a new local service provider. Deere Aff. ¶¶ 267-275. INP has been almost entirely phased out in Texas: only about 6600 INP numbers await conversion to the LNP method, and SWBT processed only 11 INP orders in October 1999. Fleming Aff. ¶ 30; Dysart Aff. ¶ 577 & Attach. B, Measurements 87 & 88.

In accordance with section 271(c)(2)(B)(xi) and Texas PUC orders, SWBT makes available – for switches where INP still is used – Remote Call Forwarding (“RCF”), Direct Inward Dialing (“DID”), or Route Indexing (“RI”), at the CLEC's option. Deere Aff. ¶¶ 269-272; see also Texas 271 Agreement Attach. 14, §§ 3-5, 7. As an alternative to INP, SWBT also will reassign NXX codes where all numbers covered by the code were served by the same CLEC. Deere Aff. ¶ 274.

As required by the Commission, SWBT shares terminating access revenues with CLECs for customer lines still ported via INP. See Second Louisiana Order ¶ 287; Texas 271 Agreement Attach. 12, § 9.

Performance Measures. SWBT has sufficient data to report results for three measures specific to LNP: Percentage of Time the Old Service Provider Releases the Subscription Prior to the Expiration of the Second 9 Hour Timer, Average Time of Out of Service for LNP Conversions, and Percent Out of Service Less than 60 Minutes. In each case, SWBT consistently provided parity or better service from August to October 1999. Dysart Aff. ¶¶ 589-605. While LNP is replacing INP, the available data for INP generally show parity service as well. See id. ¶¶ 577-584.

L. Local Dialing Parity

Local dialing parity ensures that CLECs' customers are able to place calls within a given local calling area by dialing the same number of digits as a SWBT end user. The Commission has held "that local dialing parity will be achieved upon implementation of the number portability and interconnection requirements of section 251." Second Report and Order and Memorandum Opinion and Order, Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, 11 FCC Rcd 19392, 19430, ¶ 71 (1996). In satisfaction of checklist item (xii), SWBT's Texas PUC-approved interconnection agreements provide CLECs nondiscriminatory access to services and information that are necessary to allow local dialing parity. See Deere Aff. ¶¶ 226-230; Texas 271 Agreement § 48.1.

M. Checklist Item (xiii): Reciprocal Compensation for the Exchange of Local Traffic

Traffic exchanged between SWBT and CLECs serves as one measure of actual local competition. Consistent with sections 271(c)(2)(B)(xiii) and 252(d)(2), SWBT facilitates such

exchanges by entering into just and reasonable reciprocal compensation arrangements for transport and termination of local traffic on the other carrier's network. Pursuant to these arrangements, from January 1997 through November 1999, SWBT and Texas CLECs exchanged more than 2.7 billion minutes of local traffic; SWBT additionally exchanged 17 billion minutes of Internet traffic. *Habeeb Aff. Attach. E*. This traffic has been accurately accounted for, and the appropriate parties have been compensated at lawful rates. SWBT's reciprocal compensation arrangements thus satisfy checklist item (xiii) and further confirm the openness of local markets in Texas, as the Texas PUC has found. *Texas 271 Agreement Attach. 12*; see *Final Staff Report* at 99-104.

Rates. The Texas PUC established rates for transport and termination in the Mega-Arbitration, using a forward-looking TELRIC methodology that complies with this Commission's rules. See *Auinbauh Aff.* ¶¶ 113-115; *Texas 271 Agreement Attach. 6, App. Pricing – UNE – Schedule of Prices*; *SWBT/AT&T Agreement Attach. 6, App. Pricing – UNE – Schedule of Prices*.

Usage Data and Billing. SWBT records usage data for traffic passed between its network and CLECs' networks, including usage data for terminating access and 800-number traffic. *Auinbauh Aff.* ¶¶ 97-102; see also Part V.F, *supra* (unbundled switching). On a monthly basis, SWBT transmits summaries of this usage information to the terminating CLEC for billing. *Id.* ¶ 121. For CLECs using SWBT's unbundled local switching, however, calls originating from a third-party, facilities-based carrier and terminating to the CLEC are identified in usage recordings simply as being routed to SWBT's assigned telephone numbers. *Id.* ¶ 123. SWBT is currently working with the industry to develop a process for exchanging records necessary for reciprocal compensation under this scenario. *Id.* In the interim, SWBT has satisfied checklist

requirements by implementing with other carriers a surrogate mechanism that credits CLECs for reciprocal compensation on calls terminated from third-party, switch-based providers. Id.; see Second Louisiana Order, 13 FCC Rcd at 20736, ¶ 233.

Internet Traffic. Reciprocal compensation for Internet-bound traffic is not a checklist item. New York Order ¶ 377. Nevertheless, SWBT is in compliance with the Texas PUC's decisions regarding reciprocal compensation for Internet traffic, and is paying the required amounts. Auinbauh Aff. ¶¶ 91, 98.

N. Checklist Item (xiv): Resale

SWBT's resale offerings allow CLECs to enter the local market with virtually no investment or delay. This is confirmed by the presence of 114 different resellers serving more than 320,000 resold lines throughout Texas (excluding resold coin lines), Habeeb Aff. ¶ 7 & Table 1, as well as by the Texas PUC's determination that SWBT has satisfied checklist item (xiv), see Final Staff Report at 105-109. Texas resellers enjoy highly favorable wholesale prices. The Texas PUC set a generally applicable wholesale discount of 21.6 percent off of the retail rate, and SWBT offers an industry-topping promotional discount of 32 percent on residential services under this Commission's SBC/Ameritech merger conditions. Auinbauh Aff. ¶ 132; SP Ameritech Merger Order ¶ 392.

Availability of Retail Services for Resale. The telecommunications services that SWBT provides CLECs for resale are identical to the services SWBT furnishes its own retail customers. Auinbauh Aff. ¶¶ 106-107. CLECs are able to sell these services to the same customer groups as SWBT in the same manner. Id. ¶ 106.

SWBT offers wholesale discounts on promotional offerings that have durations of greater than 90 days, and gives CLECs at least 30 days' advance notice of these promotions. Id. ¶ 110.

For retail services that SWBT offers to a limited group of customers (such as grandfathered services), SWBT allows resale to the same group of customers to which SWBT sells the services, in accordance with 47 C.F.R. § 51.615. Auinbauh Aff. ¶ 111. SWBT's customer-specific contracts are available for resale to similarly situated customers. Id. ¶ 113. CLECs may resell these contracts without triggering termination liability to the end user. Id. SWBT also permits CLECs that resell customer-specific contracts to meet minimum volume requirements by aggregating the traffic of multiple end user customer(s), provided that those customers are similarly situated to the customer(s) of SWBT's original contract. Auinbauh Aff. ¶ 114.

Resellers' Access to OSS. As discussed in Parts II.B and V.B.1, above, SWBT's OSS allow resellers to access pre-ordering, ordering and provisioning, maintenance and repair, and billing functions for resold services in an efficient and nondiscriminatory manner. For example, resellers that use the EASE pre-ordering/ordering interface have experienced parity or better response times during each of the last twelve consecutive months. Dysart Aff. ¶ 110 & Attach. B, Measurement 3. Response times for pre-ordering via DataGate likewise have consistently met the Texas PUC's benchmarks. Id. ¶¶ 94-109 & Attach. B, Measurements 1 & 2. Resellers receive notifications such as FOCs and SOC's for their resale orders within the Texas PUC-approved intervals, and their orders flow through SWBT's systems at parity. Id. ¶¶ 142 (FOCs), 153 (SOCs), 165-167 (flow through). For example, from August to October 1999, SWBT returned 99.3 percent of FOCs on time for CLEC orders for resold service placed over EDI, id. ¶ 133; the intervals in which SWBT has provisioned both business and residential POTS for CLECs have been at parity levels in all parts of Texas for the last 3 consecutive months, id. ¶¶ 179-182; and SWBT has consistently provided parity service with respect to missed due dates

across Texas in at least the last 3 months, and in some areas, in each of the last 12 months, id.

¶¶ 221-225.

Provisioning. Mean installation intervals for resold services have been at parity for each resale order type, in nearly every month for which data are available. Id. ¶¶ 179-182 & Attach. B, Measurement 27. SWBT has only rarely missed due dates; again, SWBT's performance is well within parity levels for consecutive months in most service areas in Texas. See id. ¶¶ 193-235 & Attach. B, Measurements 29-33. Resold services likewise are of the same quality as SWBT's retail service, and CLEC resale customers report post-provisioning troubles on their resold lines no more frequently than SWBT's retail customers report such troubles. Id. ¶¶ 237-251 & Attach. B, Measurement 35.

CONCLUSION

Southwestern Bell has opened its local markets in Texas to competition and provided scores of CLECs with products and services covering all fourteen checklist items. Approving this application will acknowledge that Southwestern Bell has complied with the requirements of the Act and therefore is entitled to offer interLATA services in Texas.

More important, however, granting this application will bring consumers in Texas the full rewards from competition contemplated by Congress. While both residential and business customers in Texas currently are benefiting from local competition, these benefits will remain partial and incomplete until consumers also have unfettered choice of long distance providers.

The Application should be granted.

Respectfully submitted,



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